

Kansas Corporation Commission
Commission Meeting
June 9, 2016
10:00 a.m. 1st floor hearing room
KCC Offices, 1500 SW Arrowhead, Topeka, Kansas

MINUTES

The Commission convened the regularly scheduled open meeting of the Commission at 10:00 a.m. on June 9, 2016 in the 1st floor hearing room of the Kansas Corporation Commission, 1500 SW Arrowhead, Topeka, Kansas.

Present: Chairman Emler, Commissioner Albrecht and Commissioner Apple. The following were considered by the Commission:

1. **Consent Agenda:** Commissioner Apple requested to remove Items #51 and #66, Docket Nos. 16-TRAM-548-PEN and 16-CONS-4052-CUIC. Commissioner Apple moved for approval of the balance of the Consent Agenda: All other listed matters as presented for June 9, 2016 on the 9 page document attached hereto as "Attachment A," which is included by reference herein. Commissioner Albrecht seconded the motion. Motion was approved.
2. **Noticed:**
 - A. ***Docket No. 14-GIMT-105-GIT, In the Matter of an Investigation to Determine the Assessment Rate for the Eighteenth Year of the Kansas Universal Service Fund, Effective March 1, 2014.***

Commissioner Apple moved for approval of order #16-2003 - *Order to Show Cause*.
Commissioner Albrecht seconded the motion. Motion was approved.

- B. ***Docket No. 16-KPPE-470-PRE, In the Matter of the Kansas Power Pool Requesting That the Commission Predetermine That Any Needed 115 kV Breaker Facilities Installed by MKEC on the Ninnescah 115 kV Line to Accommodate KPP's Interconnection Request be Included and Recovered Under the Mid-Kansas Electric Company Formula-Based Rate.***

Commissioner Apple moved for approval of order #16-2008 - *Order on Motions to Dismiss*. Commissioner Albrecht seconded the motion. Motion was approved.

3. **Other Matters:**

- A. Chairman Emler moved to meet in Executive Session for Attorney/Client privileged matters, pursuant to KSA 75-4319 (b)(2), for consultation with an attorney, in anticipation of litigation, to obtain legal advice for a period of 20 minutes. Assistant General Counsel, Dustin Kirk, attended the Executive Session. Commissioner Albrecht seconded the motion. Motion was approved.

The Commission moved into Executive Session at 10:08 a.m. and reconvened in public session at 10:28 a.m.

The Commission took no action following the Executive Session.

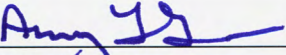
- B. Chairman Emler moved to meet in Executive Session for Attorney/Client privileged matters, pursuant to KSA 75-4319 (b)(2), for consultation with an attorney, in anticipation of litigation, to obtain legal advice for a period of 15 minutes. Assistant General Counsel, Dustin Kirk, attended the Executive Session. Commissioner Albrecht seconded the motion. Motion was approved.

The Commission moved into Executive Session at 10:29 a.m. and reconvened in public session at 10:44 a.m.

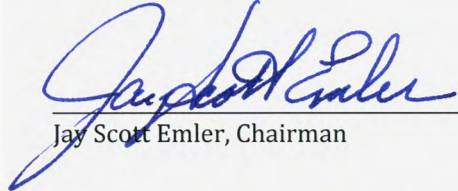
The Commission took no action following the Executive Session.

There being no further matters before the Commission, Commissioner Albrecht moved for adjournment of the Commission meeting. Commissioner Apple seconded the motion. The motion was approved. The Commission adjourned the June 9, 2016 Commission Meeting at 10:46 a.m.

Respectfully submitted,



Amy L. Green
Secretary

Shari Feist Albrecht, Commissioner

Jay Scott Emler, Chairman

Pat Apple, Commissioner



ITEMS OF Consent Agenda

Approval Date: Thursday, June 9, 2016

NOTICE TO THE PUBLIC: There will be no separate discussion of Consent Agenda items as they are considered to be routine by the Kansas Corporation Commission. Unless removed from the website's Consent Agenda, the orders appearing on the Consent Agenda will become the Order of the full Commission at the Commission's regularly scheduled Business Meeting. If Commission staff or a Commissioner requests an item be removed from the Consent Agenda, the affected item may be considered separately or placed on the earliest possible Business Meeting agenda for discussion.

Consent Agenda

ITEM NO.	DESCRIPTION	DOCKET NUMBER	REMOVED
1	In the matter of the failure of Anadarko E & P Onshore LLC ("Operator") to comply with K.A.R. 82-3-400 regarding injection that took place during the 2015 calendar year. <i>Penalty Order - Anadarko E & P Onshore LLC</i>	16-CONS-4053-CPEN	
2	In the matter of the failure of Barton Exploration, Inc. ("Operator") to comply with K.A.R. 82-3-400 regarding injection that took place during the 2015 calendar year. <i>Penalty Order - Barton Exploration, Inc.</i>	16-CONS-4054-CPEN	
3	In the matter of the failure of Brian L. Birk dba Birk Petroleum ("Operator") to comply with K.A.R. 82-3-400 regarding injection that took place during the 2015 calendar year. <i>Penalty Order - Brian L. Birk dba Birk Petroleum</i>	16-CONS-4055-CPEN	
4	In the matter of the failure of Edward E. Birk ("Operator") to comply with K.A.R. 82-3-400 regarding injection that took place during the 2015 calendar year. <i>Penalty Order - Edward E. Birk</i>	16-CONS-4056-CPEN	

Consent Agenda

ITEM NO.	DESCRIPTION	DOCKET NUMBER	REMOVED
5	In the matter of the failure of C12 Kansas Oil, LLC ("Operator") to comply with K.A.R. 82-3-400 regarding injection that took place during the 2015 calendar year. Penalty Order - C12 Kansas Oil, LLC	16-CONS-4057-CPEN	
6	In the matter of the failure of Carrie Exploration & Development, LLC ("Operator") to comply with K.A.R. 82-3-400 regarding injection that took place during the 2015 calendar year. Penalty Order - Carrie Exploration & Development, LLC	16-CONS-4058-CPEN	
7	In the matter of the failure of Carroll Energy, LLC ("Operator") to comply with K.A.R. 82-3-400 regarding injection that took place during the 2015 calendar year. Penalty Order - Carroll Energy, LLC	16-CONS-4059-CPEN	
8	In the matter of the failure of Casino Petroleum, LLC ("Operator") to comply with K.A.R. 82-3-400 regarding injection that took place during the 2015 calendar year. Penalty Order - Casino Petroleum, LLC	16-CONS-4060-CPEN	
9	In the matter of the failure of CherokeeNRG LLC ("Operator") to comply with K.A.R. 82-3-400 regarding injection that took place during the 2015 calendar year. Penalty Order - CherokeeNRG LLC	16-CONS-4061-CPEN	
10	In the matter of the failure of Citation Oil & Gas Corp. ("Operator") to comply with K.A.R. 82-3-400 regarding injection that took place during the 2015 calendar year. Penalty Order - Citation Oil & Gas Corp.	16-CONS-4062-CPEN	
11	In the matter of the failure of Daryl Clark ("Operator") to comply with K.A.R. 82-3-400 regarding injection that took place during the 2015 calendar year. Penalty Order - Daryl Clark	16-CONS-4063-CPEN	
12	In the matter of the failure of Colt Energy Inc ("Operator") to comply with K.A.R. 82-3-400 regarding injection that took place during the 2015 calendar year. Penalty Order - Colt Energy Inc	16-CONS-4064-CPEN	
13	In the matter of the failure of DHP Investments, Ltd. ("Operator") to comply with K.A.R. 82-3-400 regarding injection that took place during the 2015 calendar year. Penalty Order - DHP Investments, Ltd.	16-CONS-4065-CPEN	
14	In the matter of the failure of Double Eagle Exploration, Inc. ("Operator") to comply with K.A.R. 82-3-400 regarding injection that took place during the 2015 calendar year. Penalty Order - Double Eagle Exploration, Inc.	16-CONS-4066-CPEN	

Consent Agenda

ITEM NO.	DESCRIPTION	DOCKET NUMBER	REMOVED
15	In the matter of the failure of Dunne Equities Operating, Inc. ("Operator") to comply with K.A.R. 82-3-400 regarding injection that took place during the 2015 calendar year. <i>Penalty Order - Dunne Equities Operating, Inc.</i>	16-CONS-4067-CPEN	
16	In the matter of the failure of Energyquest II, LLC ("Operator") to comply with K.A.R. 82-3-400 regarding injection that took place during the 2015 calendar year. <i>Penalty Order - Energyquest II, LLC</i>	16-CONS-4068-CPEN	
17	In the matter of the failure of Enterprise Inc ("Operator") to comply with K.A.R. 82-3-400 regarding injection that took place during the 2015 calendar year. <i>Penalty Order - Enterprise Inc</i>	16-CONS-4069-CPEN	
18	In the matter of the failure of ESP Development, Inc. ("Operator") to comply with K.A.R. 82-3-400 regarding injection that took place during the 2015 calendar year. <i>Penalty Order - ESP Development, Inc.</i>	16-CONS-4070-CPEN	
19	In the matter of the failure of Betty J. Goff ("Operator") to comply with K.A.R. 82-3-400 regarding injection that took place during the 2015 calendar year. <i>Penalty Order - Betty J. Goff</i>	16-CONS-4071-CPEN	
20	In the matter of the failure of Hess Oil Company ("Operator") to comply with K.A.R. 82-3-400 regarding injection that took place during the 2015 calendar year. <i>Penalty Order - Hess Oil Company</i>	16-CONS-4072-CPEN	
21	In the matter of the failure of HPH Kansas LLC ("Operator") to comply with K.A.R. 82-3-400 regarding injection that took place during the 2015 calendar year. <i>Penalty Order - HPH Kansas LLC</i>	16-CONS-4073-CPEN	
22	In the matter of the failure of La Veta Oil & Gas, LLC ("Operator") to comply with K.A.R. 82-3-400 regarding injection that took place during the 2015 calendar year. <i>Penalty Order - La Veta Oil & Gas, LLC</i>	16-CONS-4074-CPEN	
23	In the matter of the failure of Lakeshore Operating, LLC ("Operator") to comply with K.A.R. 82-3-400 regarding injection that took place during the 2015 calendar year. <i>Penalty Order - Lakeshore Operating, LLC</i>	16-CONS-4075-CPEN	
24	In the matter of the failure of Loewen Operator, Inc. ("Operator") to comply with K.A.R. 82-3-400 regarding injection that took place during the 2015 calendar year. <i>Penalty Order - Loewen Operator, Inc.</i>	16-CONS-4076-CPEN	

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ITEM NO.	DESCRIPTION	DOCKET NUMBER	REMOVED
25	In the matter of the failure of M E Klein & Associates, Inc ("Operator") to comply with K.A.R. 82-3-400 regarding injection that took place during the 2015 calendar year. <i>Penalty Order - M E Klein & Associates, Inc</i>	16-CONS-4077-CPEN	
26	In the matter of the failure of Merit Energy Company, LLC ("Operator") to comply with K.A.R. 82-3-400 regarding injection that took place during the 2015 calendar year. <i>Penalty Order - Merit Energy Company, LLC</i>	16-CONS-4078-CPEN	
27	In the matter of the failure of Mid-Continent Energy Corp. ("Operator") to comply with K.A.R. 82-3-400 regarding injection that took place during the 2015 calendar year. <i>Penalty Order - Mid-Continent Energy Corp.</i>	16-CONS-4079-CPEN	
28	In the matter of the failure of Terry E. Morris dba G L M Company ("Operator") to comply with K.A.R. 82-3-400 regarding injection that took place during the 2015 calendar year. <i>Penalty Order - Terry E. Morris dba G L M Company</i>	16-CONS-4080-CPEN	
29	In the matter of the failure of Murfin Drilling Co., Inc. ("Operator") to comply with K.A.R. 82-3-400 regarding injection that took place during the 2015 calendar year. <i>Penalty Order - Murfin Drilling Co., Inc.</i>	16-CONS-4081-CPEN	
30	In the matter of the failure of Nor-West Kansas Oil, L.L.C. ("Operator") to comply with K.A.R. 82-3-400 regarding injection that took place during the 2015 calendar year. <i>Penalty Order - Nor-West Kansas Oil, L.L.C.</i>	16-CONS-4082-CPEN	
31	In the matter of the failure of Oil Producers, Inc. of Kansas ("Operator") to comply with K.A.R. 82-3-400 regarding injection that took place during the 2015 calendar year. <i>Penalty Order - Oil Producers, Inc. of Kansas</i>	16-CONS-4083-CPEN	
32	In the matter of the failure of Osborn Heirs Company, LTD ("Operator") to comply with K.A.R. 82-3-400 regarding injection that took place during the 2015 calendar year. <i>Penalty Order - Osborn Heirs Company, LTD</i>	16-CONS-4084-CPEN	
33	In the matter of the failure of PetroSantander (USA) Inc. ("Operator") to comply with K.A.R. 82-3-400 regarding injection that took place during the 2015 calendar year. <i>Penalty Order - PetroSantander (USA) Inc.</i>	16-CONS-4085-CPEN	
34	In the matter of the failure of Rains & Williamson Oil Co., Inc. ("Operator") to comply with K.A.R. 82-3-400 regarding injection that took place during the 2015 calendar year. <i>Penalty Order - Rains & Williamson Oil Co., Inc.</i>	16-CONS-4086-CPEN	

Consent Agenda

ITEM NO.	DESCRIPTION	DOCKET NUMBER	REMOVED
35	In the matter of the failure of Raney Oil Company, LLC ("Operator") to comply with K.A.R. 82-3-400 regarding injection that took place during the 2015 calendar year. <i>Penalty Order - Raney Oil Company, LLC</i>	16-CONS-4087-CPEN	
36	In the matter of the failure of Richland Oil Investments, LLC ("Operator") to comply with K.A.R. 82-3-400 regarding injection that took place during the 2015 calendar year. <i>Penalty Order Richland Oil Investments, LLC</i>	16-CONS-4088-CPEN	
37	In the matter of the failure of Denis F. Roberts ("Operator") to comply with K.A.R. 82-3-400 regarding injection that took place during the 2015 calendar year. <i>Penalty Order - Denis F. Roberts</i>	16-CONS-4089-CPEN	
38	In the matter of the failure of Sam W. Mays Jr. LLC ("Operator") to comply with K.A.R. 82-3-400 regarding injection that took place during the 2015 calendar year. <i>Penalty Order - Sam W. Mays Jr. LLC</i>	16-CONS-4090-CPEN	
39	In the matter of the failure of Shawn D. Evans Inc. dba ACE Oil Company ("Operator") to comply with K.A.R. 82-3-400 regarding injection that took place during the 2015 calendar year. <i>Penalty Order - Shawn D. Evans Inc. dba ACE Oil Company</i>	16-CONS-4091-CPEN	
40	In the matter of the failure of Robert W. Taylor dba Taylor Oil Co. ("Operator") to comply with K.A.R. 82-3-400 regarding injection that took place during the 2015 calendar year. <i>Penalty Order - Robert W. Taylor dba Taylor Oil Co.</i>	16-CONS-4092-CPEN	
41	In the matter of the failure of TEHI Illinois, LLC ("Operator") to comply with K.A.R. 82-3-400 regarding injection that took place during the 2015 calendar year. <i>Penalty Order - TEHI Illinois, LLC</i>	16-CONS-4093-CPEN	
42	In the matter of the failure of John R. Thomas dba Vamco Operations ("Operator") to comply with K.A.R. 82-3-400 regarding injection that took place during the 2015 calendar year. <i>Penalty Order - John R. Thomas dba Vamco Operations</i>	16-CONS-4094-CPEN	
43	In the matter of the failure of Toil Inc. ("Operator") to comply with K.A.R. 82-3-400 regarding injection that took place during the 2015 calendar year. <i>Penalty Order - Toil Inc.</i>	16-CONS-4095-CPEN	
44	In the matter of the failure of Wabash Energy Corporation ("Operator") to comply with K.A.R. 82-3-400 regarding injection that took place during the 2015 calendar year. <i>Penalty Order - Wabash Energy Corporation</i>	16-CONS-4096-CPEN	

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ITEM NO.	DESCRIPTION	DOCKET NUMBER	REMOVED
45	In the matter of the failure of Webco Oil Company, Inc. ("Operator") to comply with K.A.R. 82-3-400 regarding injection that took place during the 2015 calendar year. Penalty Order - Webco Oil Company, Inc.	16-CONS-4097-CPEN	
46	In the matter of the failure of White & Ellis Drilling, Inc. ("Operator") to comply with K.A.R. 82-3-400 regarding injection that took place during the 2015 calendar year. Penalty Order - White & Ellis Drilling, Inc.	16-CONS-4098-CPEN	
47	In the Matter of the Joint Application of The Empire District Electric Company, Liberty Sub Corp. and Liberty Utilities (Central) Co. for Approval of an Agreement and Plan of Merger and for Other Related Relief Order Setting Procedural Schedule	16-EPDE-410-ACQ	
48	In the Matter of the Joint Application of Kansas Electric Power Cooperative, Inc. and Sunflower Electric Power Corporation for Approval of Amendment One to the Arkalon Wholesale Power Agreement Suspension Order	16-KEPE-542-CON	
49	In the Matter of the Application of Mid-America Pipeline Company, LLC Filing Tariff Revisions to KCC Tariff No. 18.5.0, Implementing Decreased Rates on FERC Indexing Methodology Suspension Order	16-MDAP-554-TAR	
50	In the Matter of the Application of Mid-America Pipeline Company, LLC Filing Tariff Revisions to KCC Tariff No. 19.5.0, Implementing Decreased Rates on FERC Indexing Methodology Suspension Order	16-MDAP-555-TAR	
51	In the Matter of the Investigation of Pine Landscape Center LLC of Lawrence, Kansas, Regarding the Violation(s) of the Motor Carrier Safety Statutes, Rules and Regulations and the Commission's Authority to Impose Penalties, Sanctions and/or the Revocation of Motor Carrier Authority. Penalty Order	16-TRAM-548-PEN	X
52	In the Matter of the Investigation of Muddy Water Farms, LLC of Fort Scott, Kansas, Regarding the Violation(s) of the Motor Carrier Safety Statutes, Rules and Regulations and the Commission's Authority to Impose Penalties, Sanctions and/or the Revocation of Motor Carrier Authority. Penalty Order	16-TRAM-552-PEN	
53	In the Matter of the Investigation of Agape Trenching ETC. LLC of Geuda Springs, Kansas, Regarding the Violation(s) of the Motor Carrier Safety Statutes, Rules and Regulations and the Commission's Authority to Impose Penalties, Sanctions and/or the Revocation of Motor Carrier Authority. Penalty Order	16-TRAM-556-PEN	

Consent Agenda

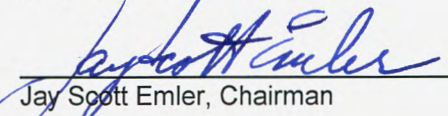
ITEM NO.	DESCRIPTION	DOCKET NUMBER	REMOVED
54	In the Matter of the Investigation of G & G Dozer Company, LLC of Caney, Kansas, Regarding the Violation(s) of the Motor Carrier Safety Statutes, Rules and Regulations and the Commission's Authority to Impose Penalties, Sanctions and/or the Revocation of Motor Carrier Authority. Penalty Order	16-TRAM-557-PEN	
55	In the matter of the application of Linn Operating, Inc. for an order providing for the unitization and unit operation of a part of the Hugoton and Panoma Council Grove Gas Fields in the Alternate Tract Unit described as Section 20-26S-37W (SE/4), Section 21-26S-37W (SW/4), Section 28-26S-37W (NW/4) , Section 29-26S-37W (NE/4) in Kearny County, Kansas (ATU 95X). Order Granting Application	16-CONS-3915-CUNI	
56	In the matter of the application of Linn Operating, Inc. for an order providing for the unitization and unit operation of a part of the Hugoton and Panoma Council Grove Gas Fields in the Alternate Tract Unit described as Section 31-26S-37W (SE/4), Section 32-26S-37W (SW/4) in Kearny County, Kansas, Section 05-27S-37W (NW/4), Section 06-27S-37W (NE/4) in Grant County, Kansas (ATU128X). Order Granting Application	16-CONS-3916-CUNI	
57	In the matter of the application of Linn Operating, Inc. for an order providing for the unitization and unit operation of a part of the Hugoton and Panoma Council Grove Gas Fields in the Alternate Tract Unit described as Section 32-27S-36W (SE/4), Section 33-27S-36W (SW/4) Section 04-28S-36W (NW/4), Section 05-28-36W (NE/4) in Grant County, Kansas (ATU 187X). Order Granting Application	16-CONS-3917-CUNI	
58	In the matter of the application of Linn Operating, Inc. for an order providing for the unitization and unit operation of a part of the Hugoton and Panoma Council Grove Gas Fields in the Alternate Tract Unit described as Section 33-30S-35W (SE/4), Section 34-30S-35W (SW/4) in Grant County, Kansas, Section 04-31 S-35W (NW/4), Section 05-31S-35W (NE/4) in Stevens County, Kansas (ATU 205X). Order Granting Application	16-CONS-3918-CUNI	
59	In the matter of the application of Linn Operating, Inc. for an order providing for the unitization and unit operation of a part of the Hugoton and Panoma Council Grove Gas Fields in the Alternate Tract Unit described as Section 34-30S-35W (SE/4), Section 35-30S-35W (SW/4) in Grant County, Kansas, Section 03-31 S-35W (NW/4), Section 04-31 S-35W (NE/4) in Stevens County, Kansas (ATU 206X). Order Granting Application	16-CONS-3919-CUNI	
60	In the matter of the application of Linn Operating, Inc. for an order providing for the unitization and unit operation of a part of the Hugoton and Panoma Council Grove Gas Fields in the Alternate Tract Unit described as Section 06-31S-35W SE/4, Section 05-31S-35W- SW/4, Section 08-31 S-35W - NW/4, Section 07-31S-35W- NE/4 in Stevens County, Kansas (ATU 212X). Order Granting Application	16-CONS-3920-CUNI	

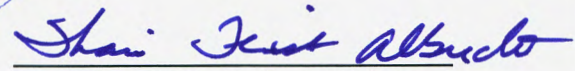
Consent Agenda

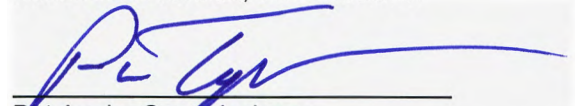
ITEM NO.	DESCRIPTION	DOCKET NUMBER	REMOVED
61	In the matter of the application of Linn Operating, Inc. for an order providing for the unitization and unit operation of a part of the Hugoton and Panoma Council Grove Gas Fields in the Alternate Tract Unit described as Section 04-32S-36W (SE/4), Section 03-32S-36W (SW/4), Section 10-32S-36W (NW/4), Section 09-32S-36W (NE/4) in Stevens County, Kansas (ATU 258X). Order Granting Application	16-CONS-3921-CUNI	
62	In the matter of the application of Richlan Drilling for an exception to the 10-year time limitation of K.A.R. 82-3-111 for its Sunley A2 well located in the SW/4 of Section 30, Township 16 South, Range 21 West, Ness County, Kansas. Order Designating Prehearing Officer & Setting Prehearing Conference	16-CONS-3896-CEXC	
63	In the matter of an Order to Show Cause issued to E.O.R. Petroleum Company ("Operator") regarding responsibility under K.S.A. 55-179 for unplugged wells on an expired license. Order to Show Cause, Designating a Prehearing Officer, and Setting a Prehearing Conference	16-CONS-4030-CSHO	
64	In the matter of the failure of Kansas Petroleum Resources, LLC ("Operator") to comply with K.A.R. 82-3-107 and K.A.R. 82-3-130 at the Sunlight Peak #2 in Pawnee County, Kansas. Order Rescinding Penalty	16-CONS-4040-CPEN	
65	In the matter of the failure of Grunder Oil, LLC ("Operator") to comply with K.A.R. 82-3-602 at the Jenny Lynn #1 well in Stafford County, Kansas. Order Rescinding Penalty	16-CONS-4041-CPEN	
66	In the matter of the application of Jack W. McFadden dba McFadden Oil Co., for a UIC order permitting injection of saltwater in one well on the Bowen Lease in Allen County. Order Granting Exception to Notice	16-CONS-4052-CUIC	X

The above-captioned matter(s) were approved by the Commission, unless noted as removed.

For the Commission :


Jay Scott Emler, Chairman


Shari Feist Albrecht, Commissioner


Pat Apple, Commissioner

Attest:


Amy L. Green
Secretary to the Commission